

**Appendix to resolution number 2018/07 by
the Board of Directors of the 'Mongolian Stock Exchange
dated May 18, 2018**

“Membership rules” of the “Mongolian stock exchange”

Membership procedures

ONE. GENERAL PROVISIONS

TWO. MEMBERSHIP REQUIREMENTS

- 2.1. General Requirements for Membership Applicants
- 2.2. Requirements for a brokerage firm
- 2.3. Requirements for dealer company

THREE. DECISIONS ON ADMISSION AND REJECTION OF MEMBERSHIP

- 3.1. Applying for membership
- 3.2. Decisions on admission and rejection of membership
- 3.3. Fees for services

FOUR. RIGHTS AND RESPONSIBILITIES OF THE PARTIES

- 4.1. Stock exchange's right
- 4.2. Stock exchange's responsibility
- 4.3. Member's right
- 4.4. Member's responsibility

FIVE. LIABILITY

- 5.1.1. Take precautionary measures
- 5.1.2. Take measures to impose fines and calculate late fee
- 5.1.3. Temporary restriction of member's right to participate in securities trading
- 5.1.4. Suspend membership
- 5.1.5. Terminate membership

SIX. MISCELLANEOUS

APPENDIX

- Membership Agreement
- Application form for a company applying for membership
- Technical and equipment requirements
- Fees for services provided to members

ONE. GENERAL PROVISIONS

- 1.1 The purpose of these rules is to accept the application for membership of the "Mongolian Stock Exchange" by persons licensed to engage in regulated activities in the securities market in accordance with Article 70 of the "Law on Securities Market" to the "Mongolian Stock Exchange"/hereinafter referred to as the "Exchange"/, It is to regulate membership recruitment, suspension of membership rights, temporary restriction, restoration, exclusion of membership rights and other related relations.
- 1.2 The member company /hereinafter referred to as the "Member"/ shall comply with the Law on Securities Market Law, the Law on Company, the Financial Regulatory Commission /hereinafter referred to as the "Commission"/, the rules, regulations, and instructions of the Exchange and other relevant laws, regulations, and decisions.
- 1.3 The Exchange shall adhere to the principle of openness and shall not discriminate when accepting and processing the application of the entity that applied for membership and providing services related to the member's participation in trading, monitoring, and imposing responsibility.

TWO. MEMBERSHIP REQUIREMENTS

- 2.1. Applicants shall meet the following requirements:
 - 2.1.1 To have a special license to engage in regulated activities in the securities market. When obtaining this permission, it should be based on the decision of the Exchange that the broker and dealer company meet the criteria for new membership and the requirements for participation in trading.
 - 2.1.2 Obtaining a special license based on the decision of another trading organization shall not be grounds for joining the Exchange. The member shall meet the requirements of the Exchange;
 - 2.1.3 Have a medium-term business plan for stable and continuous operation;
 - 2.1.4 The amount of equity shall meet the amount determined by the Commission;
 - 2.1.5 Have established an operational risk management fund with assets equal to at least three percent of the assets stated in Section 2.1.3 of these rules;
 - 2.1.6 Have paid the service fee stated in Attachment 4 of these rules;
 - 2.1.7 An authorized official representing the company as stated in section ONE of Attachment 2, company's personnel as stated in section TWO. A of Attachment 2, shall issue a guarantee stating that they are familiar with the laws and regulations in force in the stock market, that they will adhere to those laws, and that they will fulfill their responsibilities to the customer fairly and professionally;
 - 2.1.8 Have software to promptly process securities listing, trading, and settlement information of clients;
 - 2.1.9 To be provided with workplaces and equipment that meet the requirements stated in Attachment 3 of these rules, and to have fully established conditions for operations;
 - 2.1.10 Comply with the set of rules and regulations on Regulated Operations stated in section 26.1 of the Law on Securities Market;
 - 2.1.11 The professional of the regulated entity who participates in the securities trading shall be authorized in accordance with the "Rules on Granting the Right to Participate in Securities Trading" of the MSE.
- 2.2. A legal entity authorized to engage in brokerage activities shall meet the following conditions and requirements in addition to those stated in Section 2.1 of these rules:
 - 2.2.1. meet the qualified personnel requirements stated in Section 3.2.1 of the Commission's rules for issuing and registering special licenses and permits for certain activities regulated by the Securities Market;
 - 2.2.2. Shall have developed the following rules:
 - 2.2.2.1. Rules of operation of the broker;
 - 2.2.2.2. Internal surveillance rules;
 - 2.2.2.3. Rules for protecting customers from risks;
 - 2.2.2.4. Rules for disclosing information to customers and investors;
 - 2.2.2.5. Rules for preventing market manipulation.
- 2.3. A legal entity authorized to engage in dealer activities shall meet the following conditions and requirements in addition to those stated in Section 2.1 of these rules:

- 2.3.1. To have qualified personnel stated in Section 3.3.1 of the issuing and registering special licenses and permits for certain activities regulated by the Securities Market;
- 2.3.2. Shall have developed the following rules:
 - 2.3.2.1. Rules of operation of the dealer;
 - 2.3.2.2. Internal surveillance rules.

THREE. DECISIONS ON ADMISSION AND REJECTION OF MEMBERSHIP

- 3.1 Applying for membership:
 - 3.1.1. Applicant for membership shall fill out the application form stated in Attachment 2 of these rules and submit the relevant documents;
 - 3.1.2. The Exchange shall review documents that fully meet the requirements of relevant laws, rules, and regulations within 10 business days from the date of receipt;
 - 3.1.3. In the event that it is necessary to submit additional documents and clarifications, the period stated in section 3.1.2 of these rules may be extended once up to 10 business days;
 - 3.1.4. The applicant shall prepare the official application documents in accordance with the "Mongolian Standard - MNS 5140-1,2,3:2011" and verify with the signature and seal of the Executive Director;
 - 3.1.5. When a company with foreign investment is listed as a member, the relevant documents shall be made and verified in Mongolian;
 - 3.1.6. If there are additional changes to the submitted documents during the process of receiving and reviewing the application, the applicant shall notify the Exchange within 3 business days;
- 3.2 Accepting and refusal of admission as a member:
 - 3.2.1. Admission to become a member of the Exchange shall be accepted in the following cases:
 - 3.2.1.1. Based on the opinion of the listing division of the Exchange, the authorized person has made a decision on admission to membership;
 - 3.2.1.2. According to the decision of the authorized person of the Exchange regarding admission as a member, the applicant signed the Membership Agreement with the Exchange.
 - 3.2.2. Admission to become a member of the Exchange will be refused in the following cases:
 - 3.2.2.1. The information requested by the Exchange regarding the application is not fully submitted, the documents contain conflicting, false, misleading, erroneous, or inconsistent information;
 - 3.2.2.2. The conditions and requirements stated in the Commission's "issuing and registering special licenses and permits for certain activities regulated by the Securities Market " are not met;
 - 3.2.2.3. A delisted company has submitted an application to be relisted on the Exchange within 6 months;
 - 3.2.2.4. It is considered that the applicant's listing as a member and operating in the securities market would be contrary to the activities of its authorized official, influential shareholder, and parent company, and would create a conflict of interest.
 - 3.2.2.5. 6 months have passed since the application for membership was submitted to the Exchange and the member did not complete the required documents within this period;
 - 3.2.2.6. A company that has been denied membership on the grounds that it has submitted false documents has applied for membership again within 1 year;
 - 3.2.3. The Executive Director of the Exchange shall deliver the decision to refuse admission to become a member to the applicant in writing along with an explanation.
- 3.3 Fees and discounts for services rendered to members:
 - 3.3.1. Fees for services rendered to members shall be paid in accordance with Attachment 4;
 - 3.3.2. A member may receive a discount of up to 10% from the next year's membership annual service fee if the said member's transaction value makes up more than 5% of the total trading value of the current year on the Exchange;
 - 3.3.3. 10 percent discount on the annual service fee If the member is also a member of the Mongolian Association of Securities Dealers;

- 3.3.4. The Member will be exempted from the annual service fee for one year after the decision to list the company as a member in the Exchange;
- 3.3.5. Temporarily limiting or suspending a member's rights shall not be grounds for exemption from the obligation to pay membership fees;
- 3.3.6. If disqualified as a member, membership admission fees and annual membership fees will not be refunded.

FOUR. RIGHTS AND RESPONSIBILITIES OF THE PARTIES

- 4.1 The Exchange has the following rights:
 - 4.1.1. Monitor the member's activities, conduct surveillance to ensure the fulfillment of the responsibilities under the rules and regulations, and impose liabilities;
 - 4.1.2. Demand service fee and other related fees stated in these rules and the "Membership Agreement" within the specified period;
 - 4.1.3. Disclose the member's financial statements, management, and the shareholder's structure to the public;
 - 4.1.4. If the member may have falsified documents, notify the authorities and submit a request for an investigation;
 - 4.1.5. If the violation committed by the member has caused significant damage to the investors and the damage has not been compensated, and if it is of a criminal nature, submit the relevant materials to the authorities;
 - 4.1.6. Follow the "Information Procedure" of the Exchange when informing the public about members' activities;
 - 4.1.7. Fairly evaluate members' fulfillment of obligations under the law and the "Membership Agreement" and disclose the results through the official website to the public.
- 4.2 The Exchange has the following responsibilities:
 - 4.2.1. Organize daily trading in accordance with the Law on Securities Market, rules approved by the Commission and the Exchange, ensure the normal operation of the trading software, and maintain the confidentiality of information;
 - 4.2.2. Disclose information and documents related to members' activities in a timely manner in accordance with relevant rules;
- 4.3 The member has the following rights:
 - 4.3.1. Receive news and information on securities trading, price, and market importance free of charge;
 - 4.3.2. Make proposals and cooperate for improving the securities market, activities of the Exchange, and Members;
 - 4.3.3. Acquaint with operational and financial reports of the Exchange;
 - 4.3.4. Submit a request to the Exchange, receive a response promptly, jointly solve the problem, and make consensus;
 - 4.3.5. Submit a request for remote participation in securities trading to the Exchange;
 - 4.3.6. In case of disagreement with the decision made by the Exchange, submit a complaint to the Commission;
- 4.4 The member has the following responsibilities:
 - 4.4.1. During the period as a member of the Exchange, fulfill the requirements stated in Article 2 of these rules and the "Membership Agreement";
 - 4.4.2. Regularly pay the service fee and other related fees stated in these rules and the "Membership Agreement";
 - 4.4.3. The member shall submit any changes that have occurred in order to meet the requirements stated in Article 2 of these rules, as well as the news and information specified in the contract to the Exchange within specified period;
 - 4.4.4. In case of remote participation in trading in accordance with Section 4.3.5 of these rules, a member shall conclude a "Service Agreement" with the Exchange;
 - 4.4.5. The member shall provide information transparency;
 - 4.4.6. In accordance with the Law on Accounting, prepare year-end financial statements and submit audit reports to the Exchange by March, 10th of the following year and semi-annual financial statements by July, 25th.

- 4.4.7. Member shall adhere to the "Code of Conduct" applicable in the securities market;
- 4.4.8. The member shall maintain a official website and disclose following information through their website and the website of the Exchange to the public:
 - 4.4.8.1. Monthly securities trading reports;
 - 4.4.8.2. Annual and semi-annual financial statements;
 - 4.4.8.3. Changes to the company's rules and regulations;
 - 4.4.8.4. Information about authorized persons of the company;
 - 4.4.8.5. Company's address and changes made to it;
 - 4.4.8.6. Implementation of obligations under laws and regulations;
- 4.4.9. In the event that the membership is revoked due to the invalidation of the member's special license according to the Commission's resolution, the Member shall hand over the relevant documents to the Exchange within the specified period according to the Commission's resolution.

FIVE. LIABILITY

- 5.1. The surveillance unit of the Exchange shall monitor the implementation of these rules, and organize remote and on-site surveillance and inspections of the Member's activities according to the grounds and directions stated in the Surveillance rules.
- 5.2. The Exchange shall monitor the fulfillment of obligations under the Law on Securities Market, the rules and regulations issued by the Commission, the Exchange, and the Mongolian Association of Securities Dealers, and shall take the following measures against the Member depending on the types of violations and deficiencies found in the Member's activities.
 - 5.2.1. Cautionary notice in the following cases:
 - 5.2.1.1. Failed to comply with the Law on Securities Market, the rules and regulations issued by the Commission, the Exchange and the Mongolian Association of Securities Dealers, as well as contractual obligations within the specified period;
 - 5.2.1.2. Failed to comply with responsibilities stated in section 4.4 of these rules.
 - 5.2.2. In the following cases, a penalty shall be imposed in accordance with Sections 4.2.2 and 4.2.3 of the "Membership Agreement":
 - 5.2.2.1. Section 5.2.1 of these rules are violated 2 or more times;
 - 5.2.2.2. As part of the cautionary notice, the obligations given by the Exchange were not fulfilled within the specified time.
 - 5.2.3. In the following cases, right to participate in securities trading shall be temporarily restrict:
 - 5.2.3.1. By decision of the Commission and the State Inspector of the Commission;
 - 5.2.3.2. Section 3.3.1 of these rules and any payment or fees specified in the Cooperation Agreement have not been paid on time for 30 days;
 - 5.2.3.3. Trading settlement organisation notified that the obligation to place a deposit or make a payment has not been fulfilled on time;
 - 5.2.3.4. Disqualified from membership of a trading settlement organization;
 - 5.2.3.5. The member's employee has repeatedly violated the "Code of Conduct" applicable in the securities market.
 - 5.2.4. The member's rights will be suspended in the following cases:
 - 5.2.4.1. Failed to fulfill the responsibilities given by the Exchange in connection with measures temporarily restricting the member's right to participate in trading;
 - 5.2.4.2. Distributed misleading advertisements and false information to the public;
 - 5.2.4.3. Acts or inactions that have harmed or may harm the rights of shareholders and investors in any way in violation of market manipulation rules;
 - 5.2.4.4. Has not conducted the operations stated in Sections 36.1 and 37.1 of the "Law on Securities Market" during the last 6 months or has not participated in securities trading for 6 months.
 - 5.2.5. Member will be disqualified in the following cases:
 - 5.2.5.1. Member can submit a request to be disqualified. In this case, the Member shall fully meet the terms and conditions set by the Exchange;
 - 5.2.5.2. No action has been taken to restore the member's rights within 3 months of suspension;

- 5.2.5.3. The Commission revoked the member's special license to conduct regulated operations in the securities market;
 - 5.2.5.4. In cases where a member has low solvency or is found to be insolvent, liquidation proceedings have begun, bankruptcy or an entitled receiver has been appointed, according to the decision of the Commission, court or supervisory body;
 - 5.2.5.5. In accordance with the "Surveillance rules" of the Exchange, the surveillance department of the Exchange issued a proposal and opinion to revoke membership rights;
 - 5.2.5.6. Section 3.3.1 of these rules and any payments, fees, and fees specified in the "Membership Agreement" have not been paid within the stated period for 6 months;
 - 5.2.5.7. Repeated or serious violations of the Exchange's trading rules, membership rules, surveillance rules, and other relevant laws and regulations;
 - 5.2.5.8. It has been found that the member is responsible for operations and actions against the reputation of the Exchange and the domestic stock market;
 - 5.2.5.9. It has been found that the member has submitted false documents for membership;
 - 5.2.5.10. Other grounds stated in laws, rules, regulations, contracts, and other relevant legal acts.
- 5.3. Membership rights shall be reinstated in the following cases:
- 5.3.1. The member has notified that the violation has been eliminated, or the Exchange has determined that the violation has been eliminated;
 - 5.3.2. The Commission reinstated the member's special license;
 - 5.3.3. The measures taken against the member by the regulatory authority and the judicial control body were found to be unreasonable;
 - 5.3.4. Other grounds provided by laws, rules, and regulations.
- 5.4. The Executive Director shall decide whether to take the responsibility measures stated in Section 5.2 of these rules based on the opinion of the responsible unit.
- 5.5. In case of suspension or disqualification of a Member, the Exchange shall promptly notify the decision to the Commission, clearing and settlement institution, central securities depository institution, and the Member.

SIX. MISCELLANEOUS

- 6.1 The decision of the Board of the Exchange regarding the adoption, amendment, and revision of these rules, their effective date, and compliance procedure shall come into force upon the approval of the Commission.
- 6.2 The member shall submit a complaint to the Commission within 10 business days after receiving the decision issued by the Exchange.

Executive Director of the
"Mongolian Stock Exchange"

Executive Director of the
"....." LLC

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MEMBERSHIP AGREEMENT

Year 20... month ... date...

№...

Ulaanbaatar

On behalf of the "Mongolian Stock Exchange" LLC /hereinafter referred to as "Exchange"/
....., and a member securities company of the Exchange "....." LLC
/hereinafter referred to as "member", collectively referred to as "parties"/, have mutually agreed upon the
following conditions and concluded the contract for a term of one year.

ONE. GENERAL PROVISIONS

- 1.1. By this agreement, the Exchange shall list the securities company as a member and provide the conditions and infrastructure for trading in the securities market. The member shall define the rights, obligations, and responsibilities of the parties regarding the payment of mutually agreed membership fees.
- 1.2. The parties shall comply with the Civil Code, the Law on the Securities Market, the Law on Companies, the regulations and instructions approved by the Financial Regulatory Commission /hereinafter referred to as "the Commission"/ and the Exchange in accordance therewith, and this agreement.
- 1.3. Changes to the agreement may be made by mutual agreement at the request of the parties or in case of changes in the legal norms regarding related relations.
- 1.4. During cooperation, the parties shall protect the reputation of their operation and business in front of third parties and respect their legal interests.

TWO. RIGHTS AND RESPONSIBILITIES OF THE PARTIES

- 2.1. The Exchange has the following rights:
 - 2.1.1. Demand the payment of the service fees and other related payments stated in the "Membership Rules" and this agreement, and to impose liability in accordance with the "Membership Rules" in the event of non-payment within the specified period;
 - 2.1.2. Demand the member to fulfill the obligations assumed by the law, regulations, contracts, and decisions made by the Exchange;
 - 2.1.3. Disclose the information regarding members' financial statements, management, and the structure of shareholders to the public;
 - 2.1.4. Monitor the member's activities, conduct inspections in accordance with complaints, or to ensure the fulfillment of the obligations of the regulations and contracts, in accordance with the Exchange's "Surveillance Rules", "Instructions for Receiving and Handling Applications and Complaints Submitted by Citizens and Official Organizations" and other relevant regulations and contracts impose responsibility and submit that proposal to the Commission;
 - 2.1.5. If the violation committed by the member has caused significant damage to investors and customers, and the damage has not been compensated, and if it is of a criminal nature, the relevant documents shall be submitted to the competent authorities.
- 2.2. The Exchange has the following responsibilities:
 - 2.2.1. Organizing daily trading in accordance with the Law on Securities Market, relevant rules of the Commission and the Exchange, and ensuring the normal operation of the trading program;

- 2.2.2. Upon member's request, provide technical and operational assistance necessary for connecting to the Exchange's network, and provide instructions on using the trading system, free of charge;
- 2.2.3. The relevant departments and units respond to feedback from customers and members by phone or other methods;
- 2.2.4. Provide members with equal conditions for participating in trading and receiving information.
- 2.3. The member has the following rights:
 - 2.3.1. Receive news and information on securities trading, price, and market importance, free of charge;
 - 2.3.2. Provide feedback for improving the securities market, the Exchange, and the Member's activities, and cooperate with the Exchange;
 - 2.3.3. Familiarize with the operational and financial statements of the Exchange;
 - 2.3.4. Submitting feedback to the Exchange, receiving a response promptly, and mutually agreeing on issues to be resolved;
 - 2.3.5. Submit a complaint to the Commission in case of disagreement with the Exchange's decision.
- 2.4. The member has the following responsibilities:
 - 2.4.1. To use the necessary equipment stated in the "Membership Rules" of the Exchange in the trading system, and to ensure the security and protection of the access codes and software to the trading system, to use them as intended, and to be responsible for any related costs;
 - 2.4.2. The professional of the member company who participates in the securities trading shall have acquired a right to participate in securities trading of the Exchange;
 - 2.4.3. In accordance with the "Membership Rules", the following service fees shall be paid within the stated period:
 - 2.4.3.1. Membership fee within the first 10 days of each quarter;
 - 2.4.3.2. Payment for access to the trading system within the first 10 days of each quarter;
 - 2.4.3.3. In case of trading by using the telephone of the Exchange, the telephone payment shall be made by the 20th of the following month;
 - 2.4.3.4. Pay fines and penalties within the stated period.
 - 2.4.4. The location and address of the member's office should be clear, in case it is not clear to the public, put up a sign near the exit, disclose any change in address through the media, and make a schedule for receiving customers;
 - 2.4.5. Submit the current year's trading plan to the Exchange by January 25 and ensure its implementation;
 - 2.4.6. The following information shall be submitted to the Exchange within the stated period:
 - 2.4.6.1. Prepare annual and semi-annual financial statements in accordance with the Law on Accounting, and submit the year-end financial statement together with the audit opinion to the Exchange by March 10th of the following year, and the semi-annual financial statement by July 25th;
 - 2.4.6.2. Notify any changes in company rules and regulations in writing within 10 business days;
 - 2.4.6.3. Notify any changes in the information about authorized officials and personnel of the company in writing within 10 business days;
 - 2.4.6.4. Notify any changes in the company's address and location in writing within 3 business days;
 - 2.4.6.5. Rate of trading commission from clients /for each product/.
 - 2.4.7. Maintain primary documents in accordance with the relevant rules, take responsibility for its accuracy, confirm the customer's phone orders with voice and video recordings, save the recordings as files in the computer's memory, attach the orders submitted electronically to the order contract, use a system for receiving orders electronically, and monitor operations if necessary during the process, submit primary documents and other related documents within the specified period;
 - 2.4.8. The member should have their own website to provide customers with the necessary news;

THREE. COMMUNICATION

- 3.1. The Exchange may provide the Member with the information through the Exchange's website or by e-mail or in writing.
- 3.2. Any information to be submitted to the Exchange by the Member shall be submitted in writing.
- 3.3. In accordance with section 3.1 of this agreement, if the information is delivered by the Exchange in writing, within 3 business days, if it is sent by e-mail or published on the website, the member will be considered to have received the information on that day.

FOUR. LIABILITY OF THE PARTIES

- 4.1 Damages caused by non-fulfillment of obligations under this agreement shall be paid by the guilty party.
- 4.2 If the member violates the contractual obligations, the following measures shall be taken to the member to ensure the fulfillment of the obligations:
 - 4.2.1. Submitting a written request /will be considered as a warning/;
 - 4.2.2. In case of non-fulfillment of the contractual obligations stated in sections 2.4.3.1, 2.4.3.2, and 4.2.3 of this agreement, based on the provisions of Article 232.6 of the Civil Code, payment of interest is calculated at 0.5 percent of the value of the unfulfilled obligation for each day of overdue payment;
 - 4.2.3. The Exchange has the right to demand the following types of fines/responsibility/ in accordance with Article 232 of the Civil Code:
 - a/ 50,000 /fifty thousand/ MNT in case of missing or incorrect primary documents regarding securities trading, 100,000 /one hundred thousand/ MNT in case of repeated violations respectively;
 - b/ Fine equal to 50 percent of the minimum wage in case of violation of section 2.4.6 of the Membership Agreement and failure to fulfill obligations and tasks given by the Exchange on time;
 - c/ 500,000 /five hundred thousand/ MNT in case of repeated mistakes in entering the customer's order into the trading system due to carelessness, repeated violation of the trading order, improper use of the trading program, or breach of confidentiality, if the violation is repeated fine of 1,000,000 /one million/ MNT shall be imposed;
 - d/ Fine of 500,000 /five hundred thousand/ MNT in case of obstructing the inspection of the Exchange;
 - e/ Fine of 500,000 /five hundred thousand/ MNT in case of not concluding a contract with the client and not separating the client's money from their own funds, if the violation is repeated fine of 1,000,000 /one million/ MNT shall be imposed;
 - 4.2.4. Temporarily restrict the member's right to participate in trading;
 - 4.2.5. Disqualify member;
 - 4.2.6. Delist.
- 4.3 If the member does not pay the fine within 10 business days, they shall bear the responsibility stated in sections 4.2.4 and 4.2.5 of this agreement.
- 4.4 In case of non-fulfillment of contractual obligations by the member, regardless of whether or not they have been charged with the responsibility stated in section 4.2 of the agreement, measures such as temporary restriction of the right to participate in trading, suspension or removal of the member's rights may be taken until the member's obligations are fulfilled.

FIVE. MISCELLANEOUS

- 5.1. The Exchange shall not be responsible for any damage caused by electricity and network infrastructure /related to the service provider/ and other unexpected or force majeure factors or conditions not related to the Exchange's operations.
- 5.2. This contract shall be evaluated at the end of the term and whether to extend it shall be decided. If one of the parties does not propose to terminate the contract, it will be considered extended for the same period.
- 5.3. Disputes related to the contract shall be resolved by mutual agreement between the parties, and in case of failure to reach an agreement within 30 days, it shall be resolved by the court.

PARTIES:

Executive Director of the "Mongolian Stock Exchange"

Executive Director of the "....." LLC

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AGREEMENT EXTENSION:

Extended until year 20... month... date...

On behalf of the "Mongolian Stock Exchange":

On behalf of the: "....." LLC

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/...../

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APPLICATION FORM FOR A COMPANY APPLYING TO JOIN AS A MEMBER OF THE "MONGOLIA STOCK EXCHANGE"

ONE. COMPANY INFORMATION

1	General information			
1.1	Company name			
1.2	State registration certificate number			
1.3	Date of state registration certificate			
1.4	Register			
1.5	Company jurisdiction			
1.6	Amount of share capital			
1.7	FRC license type	License date		Resolution No
	Broker			
	Dealer			
	Underwriter			
	Investment advisor			
	Other investment services to be performed on behalf of the customer and according to the customer's order			
2	Terms of service			
2.1	Account opening fee			
2.2	Trading fees	Stock	Government bond	Corporate bond
2.3	Correspondent bank	<i>Name</i>		<i>Account number</i>
2.4	Name of the settlement bank			
2.5	Working hours			
3	Address			
3.1	Office	<input type="checkbox"/> Owned	<input type="checkbox"/> Rental	
3.2	Address	HQ:		
		Branch:		
3.3	Website			
3.4	E-mail			
3.5	Work phone, fax			

4 <i>Founder</i>				
№	Full name	Invested capital		Employment status
		Amount	Percent	
5 <i>The Board of Directors</i>				
№	Full name	Position	Employment status	
1				
2				
3				
4				
5				
6				
6 <i>Balance sheet /As of year month date /</i>				
№	Items	Beginning balance	Ending balance	
1	Total assets			
	Current assets			
	Non-current assets			
2	Total liabilities and shareholders' equity			
	Liabilities			
	Shareholders' Equity			
3	Balance sheet			
4	Auditing company	Name:	Address:	
7 <i>Financial plan</i>				
№	Items	As of 20...	As of 20...	As of 20...
1	Total transactions			
	Stock			
	Government bond			
	Corporate bond			
2	Total revenue			
	1. From brokering services			
	2. From dealing services			
	3. From underwriting services			
	4. Other revenue			
3	Total expenses			
4	Net income			

8 Employee information /with sector information/				
No	Employee's Full name	Position	Date of employment	Professional license number for operating in the securities market
1				
2				
3				
4				
5				
6				
9 Other information			Yes	No
1	Whether the applicant, its authorized persons, influential shareholders, or the parent company have seriously violated the law on the securities market, and whether they have worked as an authorized person in a regulated entity whose special license and membership have been revoked due to the violation during the last 5 years.			
2	Whether the applicant's influential shareholder or parent company has been declared bankrupt or deemed to be insolvent			
3	Whether the applicant, its Influential shareholders, authorized persons, or parent company have been found guilty or suspected of having committed a financial crime.			
<i>If checked "yes" attach the explanation.</i>				
10 Confirmation				
<p>The applicant company "....." shall be liable for the accuracy of the submitted documents to the "Mongolian Stock Exchange". In the event that the provided information is found to be inaccurate or false, the applicant company shall be legally accountable in accordance with relevant laws and regulations. The applicant company pledges to fulfill all obligations as prescribed by the applicable regulations, directives, and agreements of the Financial Regulatory Commission and the 'Mongolian Stock Exchange' within the securities market of Mongolia.</p> <p style="text-align: center;"> Seal Director / Signature/ </p> <p style="text-align: center;">Year 20... month ... date ...</p>				

11	<i>Documents to be submitted</i>	<i>Explanation</i>
1	Membership request letter	An official written request shall be signed and certified with a seal;
2	Founder's decision to establish an entity to conduct regulated operation	Copy and the original;
3	Copy of the state registration certificate	Copy and the original. For a foreign-invested enterprise, a copy of the certificate issued by the Foreign Investment Department, and the original;
4	Copy of the company's charter	Copy and the original. The charter shall be formulated in accordance with Article 16 of the Law on Company;
5	Business plan	The business plan shall be formulated for a period of 3 years and shall be approved by the shareholders meeting. The business plan should be written in plain language, and its parts should be coherent. The information included should be timely and accurate, and the its performance should be measurable;
6	Audited financial statements	If the company is newly incorporated, the opening balance sheet along with a copy
7	Current account statement	Account statements for at least the last 3 months;
8	Statement of the current bank account balance	it is required in the case of becoming a member of the Exchange after obtaining a license from the FRC;
9	The statement of Whether founders, shareholders, and authorized officials are in tax debt	Statement from the tax authority;
10	The statement of the GEACD on whether the founders, shareholders, or officials are in debt	Statement from the GEACD;
11	A copy of the official person's business license, university diploma, a detailed resume approved by the "Membership Rules" appendix, and professional license;	Copy and the original;

12	A list of equipment, software, property, and documents to demonstrate whether the entity meet the requirements specified in the rules;	The technical equipment and software used in the operation should be clearly stated by name, type, capacity, quantity, and whether the equipment and software were purchased or leased. In the Intended Use of Software column, write down the intended use of the software. For example, submitting and receiving information in accounting and credit databases, processing daily news, customer databases, and orders, etc.;
13	Lease agreement or real estate certificate	A copy of the certificate if the real estate is owned, and a copy of the lease agreement if it is leased, with the original copy;
14	The company's rules, Procedures and instructions issued in accordance with the Law on Securities Market and the regulations of the FRC	Rules, procedures and instructions shall be developed pursuant to a regulated operation to be conducted by the company;
15	A copy of the contracts with the Central Securities Depository and Securities clearing center	These documents shall be submitted after obtaining a license from the FRC;
16	Receipt of payment of application fee	
17	A copy of the certificate of the special permit to conduct regulated operations on the securities market, and a copy of the resolution of the FRC	

COMPANY AUTHORISED PERSON'S STATEMENT

1							General information						
1.1	Surname						Headshot 3x4cm						
1.2	First name												
1.3	Gender /choose/			Male:		Female:							
1.4	Birthdate												
1.5	Citizenship												
1.6	Register												
1.7	E-mail:												
1.8	Home address												
1.9	Phone:		1.			2.							
2							Education						
2.1	Name of the institute		Location		Enrolled date		Graduated date		Degree		Diploma, registration No		
2.2	Professional license to operate on the securities market			Number:		Issue date:			Expiration date:				
3							Work experience / including the current occupation/						
3	Organization		Position		Date of Employment		Date of resignation		Reason of resignation				
4							Family status						
4	Your		Full name		Register		Birthplace		Current occupation				
5							Confirmation						

Applicant “.....” /Position, investor/ of
/company/, /surname/..... shall be liable for the
accuracy of the submitted documents to the "Mongolian Stock Exchange". In the event that the
provided information is found to be inaccurate or false, the applicant company shall be legally
accountable in accordance with relevant laws and regulations. The applicant company pledges to
fulfill all obligations as prescribed by the applicable regulations, directives, and agreements of the
Financial Regulatory Commission and the 'Mongolian Stock Exchange' within the securities market
of Mongolia.

Signed:

/Signature/

ISSUED THE APPLICATION: _____ / Signature/

REVIEWED: _____ /Chief Executive Officer/

Year 20 ... month ... date ...

TWO. A) PERSONNEL STATEMENT

1							General information							
1.1		Surname												
1.2		Name												
1.3		Gender			Male:		Female:		Head shot 3x4cm					
1.4		Birthdate												
1.5		Citizenship												
1.6		Register												
1.7		E-mail:												
1.8		Address												
1.9		Contact:			1.		2.							
2							Education							
2.1		School		Location		Enrolled		Graduated		Degree		Diploma, registration No		
2.2		Professional license to operate in the securities market			Number:			Issued date:		Expiration date:				
3							Work experience / including the current occupation /							
3		Organization		Position		Date of Employment		Date of resignation		Reason for resignation				
4							Family status							
4		Your	Full name			Register		Birthplace		Current job				
5							Confirmation							

Applicant “.....” /Position, investor/ of
/company/, /surname/ shall be liable for the
accuracy of the submitted documents to the "Mongolian Stock Exchange". In the event that the
provided information is found to be inaccurate or false, the applicant company shall be legally
accountable in accordance with relevant laws and regulations. The applicant company pledges to fulfill
all obligations as prescribed by the applicable regulations, directives, and agreements of the Financial
Regulatory Commission and the 'Mongolian Stock Exchange' within the securities market of Mongolia.

SIGNED:

/Signature/

ISSUED THE APPLICATION: _____/ Signature/

REVIEWED: _____/Chief Executive Officer/

Year 20 ... month ... date ...

B) STATEMENT OF AN ENTITY SHAREHOLDER OF MEMBER COMPANY

Д/д	<i>Company information</i>		
1	Company name		
2	Established date		
3	Register		
4	Company Jurisdiction		
5	Type of business operations		
6	Share capital		
7	Ownership information in member company	Amount of capital invested:	Percentage of invested capital in share capital:
8	Executives' name		
9	Company address		
10	Website		
11	E-mail		
12	Phone, Fax		

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TECHNICAL REQUIREMENTS FOR TRADING SYSTEM

A member of the "Mongolian Stock Exchange" shall meet the following technical requirements when connecting to the trading system:

Technical requirements

Technical requirements for installing Millennium Exchange Trader Interface:

Connection requirements

a. Internet VPN

Connection bandwidth should be no less than 2 Mbps.

b. Site-to-site VPN

Connection bandwidth should be no less than 3 Mbps, A network device that supports IPSec is required.

c. Direct connection

The bandwidth of the connection should be no less than 1 Mbps, the network device that supports IPSec, and the fiber optic cable is required.

Computer specifications

- CPU better than Intel Dual Core
- RAM of 512 Mb or more (varies depending on the amount of data to be stored in the trader's profile)
- hard drive disk with more than 120gb of storage
- Monitor with screen size of 15 inches or more
- Mouse and keyboard
- Microsoft Windows XP and later Microsoft operating systems
- Internet browser Mozilla Firefox 5.0 and later versions
- Visual C++ redistribution package

Office requirements:

- The premises for receiving and serving clients should be separate from the offices of employees other than brokers and furnished for the purpose of a service hall;
- Provide office furniture, equipment, computers, printers, photocopiers, telephones and fax machines suitable for the number of employees.

SERVICE FEE

№	Service fee type	Amount	Payment condition	Due date
1	<i>Service Fees for Membership Application</i>			
1.1.	Membership application processing fee	500,000 MNT	Non-refundable	At the time of application
1.2.	Membership Admission Fee	15,000,000 MNT	One time payment	Within 5 business days after the decision
2	<i>Regular service fee payable after listed as a member</i>			
2.1.	Membership fee	375 000 MNT /every quarter/	If the individual or combined rights of brokers and dealers	Payed within the first 10 days of each quarter.
2.2.	Membership fee	500 000 MNT /every quarter/	If a member is broker, dealer and underwriter	
2.3.	Fee for accessing to the trading system	195 000 MNT /every quarter/	One access to the trading system	

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